



VAIL WATER COMPANY
1010 N Finance Center Dr., Suite 200, Tucson, AZ 85710



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ORIGINAL

June 8th 2016

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AZ CORP COMMISSION
DOCKET CONTROL

Arizona Corporation Commission

DOCKETED

JUN 13 2016

Arizona Corporation Commission
Utilities Division Director
1200 West Washington
Phoenix, AZ 85007-2996

DOCKETED BY

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Docket No. W-01651-99-0351

Decision No. 62450

W-01651B-99-0406

Action: Submit each July 1st, beginning 2001, annual reports to the Utilities Division Director detailing the progress of plans to use CAP water directly in its service territory and plans for actual construction of any necessary facilities

Dear Utilities Division Director,

The facilities were completed in December 2014 and placed into service on May 4th 2015 when Vail Water Company started receiving Central Arizona Project water directly into its service area. Attached is the latest approved CAP Surcharge tariff under Docket# W-01651B-12-0339 Decision No. 73995.

If you have any questions please do not hesitate to contact me at (520) 571-1958, extension 7105 or via fax at (520) 571-1961.

Sincerely,

Christopher T. Volpe
Vice President

COMMISSIONERS
DOUG LITTLE – Chairman
BOB STUMP
BOB BURNS
TOM FORESE
ANDY TOBIN



JODI JERICH
Executive Director

ARIZONA CORPORATION COMMISSION

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March 4, 2016

2016 MAR -4 P 3:13

Mr. Christopher T. Volpe, Vice President
Vail Water Company
1010 North Finance Center Drive, Suite 200
Tucson, Arizona 85710

AZ CORP COMMISSION
DOCKET CONTROL

RE: VAIL WATER COMPANY
DOCKET NO. W-01651B-12-0339
DECISION NO. 73995

Notice of Administrative Approval

Dear Mr. Volpe:

On March 2, 2016, you filed a revised CAP Surcharge Tariff in compliance with the above mentioned Decision. Attached is a stamped copy of the approved tariff, with an effective date of April 1, 2016.

If you have questions regarding the filing of this tariff, please contact me at (602) 542-0754.

Sincerely,

A handwritten signature in black ink that reads "Guadalupe Ortiz".

Guadalupe Ortiz
Administrative Services Officer II
Utilities Division

GO
Enclosures

Cc: Docket Control Center

ORIGINAL

CAP SURCHARGE TARIFF

APPLICABILITY

Applicable to all customers of Vail Water Service Area

TERRITORY

Vail Water service area, Pima County.

RATES

Surcharge Rate:

All Customers:

Per Customer

All meter sizes \$ 2.21 per 1,000 gallons

SPECIAL CONDITIONS:

1. The Company is authorized to recover CAP related costs based on its CAP allocation of 1,857 AF.
2. Calculation of the CAP Surcharge. Component No. 1 calculates the variance between the current CAP charge and the CAP base rate of \$105.87. Component 2 adds the City of Tucson's cost for wheeling the CAP water from the CAP canal to the Company's service area. Unrecovered recharge credits are deducted in Component 3. Component 4 consists of a true up of the prior year's under or over recovery. The cost of LTSCs is added in Component 5. Component 6 deducts the ratepayer's 50% share of any gain on the sale of LTSCs. Component 7 credits the account for water loss exceeding 10%. Finally, total net costs to be recovered are divided by the gallons sold (in 1,000s) in the previous year.
3. The Company will annually file with the Commission by February 1 the proposed annual CAP surcharge for the current calendar year. The filing shall contain all documentation to support the proposed surcharge.
4. The annual CAP surcharge will be calculated based on the Decision 73995 Amended Plan of Administration.
5. The revised CAP surcharge will be effective after April 1 of each year.
6. Collection of the CAP surcharge will not generate a positive operating income to Vail Water Company. It is intended only to recover CAP related costs.

ISSUED: 2/29/16

EFFECTIVE: After April 1, 2016

ISSUED BY: Vail Water Company

Decision No. 75029 Docket W-01651B-12-0339

Decision No. 73995

APPROVED FOR FILING
DECISION #: 73995